

TAX CREDIT PILOT POLICY: APPLICABILITY MATRIX FOR TED TOON MEMO OF FEBRUARY 28, 2014  
(Rev. April 7<sup>th</sup>, 2014)

| <b>PART I: POLICY CHANGES WITH WAIVER REQUIREMENTS</b>   |                                |                           |  |                            |  |
|--|--------------------------------|---------------------------|--|----------------------------|--|
| <b>Policy Matter</b>   | <b>HTC Pilot Projects Only</b> | <b>All LIHTC Projects</b> | <b>All Affordable Projects<sup>1</sup></b> | <b>Applicable Programs</b> | <b>Waiver Requirement &amp; Approval Level</b> |
| 1. Total Debt Load Allowed Under 223(f)  |                                | X                         |  | 223(f)                     | Yes: Hub Director                              |
| 2. Three Year Waiver Transactions  | X                              |                           |  | 223(f)                     | Yes: Hub Director                              |
| 3. IOI and Mortgage Calculations   |                                | X                         |  | 223(f)                     | Yes: Hub Director                              |
| 4. Completion Assurance  | X                              |                           |  | 223(f)                     | Yes: Hub Director                              |
| 5. Timing of Repair Escrow Funding and General Equity Pay In Schedule  |                                | X                         |  | 223(f)                     | Yes: Hub Director                              |
| 6. Tax Credit and Bond Cap Allocation Timing   |                                | X                         |  | All                        | Yes: Hub Director                              |
| <b>PART. II CLARIFICATIONS OF POLICY</b>   |                                |                           |  |                            |  |
| 7. Clarification of FHA Lenders' Underwriting Requirements for Syndicators and Principals  |                                | X                         |  | All                        | No   |
| 8. Tax Abatements  |                                | X                         |  | All                        | No   |
| 9. Use of Identification and Certification of Eligible Limited Liability Investor Entities Form for Passive Investors <sup>2</sup> |                                | X                         |  | All                        | No   |
| 10. Pre-Approval of Special Limited Partners   |                                | X                         |  | All                        | No   |
| 11. (a) Due Diligence: 2530 only for Board Officers  | X                              |                           |  | 223(f)                     | No   |
| (b) Other Creditworthiness Due Diligence Generally Limited to Nonprofit Entity Sponsor   |                                | X                         | X  | All                        | No   |
| 12. Building Permits   |                                | X                         | X  | All                        | No   |

<sup>1</sup> "Affordable" means properties receiving Project-Based Section 8 through either a Housing Assistance Payment (HAP) Contract or Project-Based Section 8 Vouchers, for greater than 90 percent of the units, or supported with Low Income Housing Tax Credits, deep mortgage subsidies such as Section 202 or 236, or subject to use restrictions comparable to those of the LIHTC program for at least 15 years following the closing of the FHA transaction.

<sup>2</sup> This form replaces the former "LLC1" form.